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ADMINISTRATIVE AND BUDGETARY ASPECTS OF THE FINANCING OF
THE UNITED NATIONS PEACEKEEPING OPERATIONS: FINANCING
OF THE UNITED NATIONS PEACEKEEPING OPERATIONS

Report of the Fifth Committee (Part II)

Rapporteur: Mr. Ihor V. HUMENNY (Ukraine)

I. INTRODUCTION

1. The previous recommendations made by the Fifth Committee to the General Assembly under agenda item 140 (a) appear in the report of the Committee contained in document A/51/753.
2. The Fifth Committee resumed its consideration of the item at its 56th, 57th, 60th to 62nd and 70th meetings on 12, 13, 20, 21 and 22 May and 6 June 1997. Statements and observations made in the course of the Committee's consideration of the item are reflected in the relevant summary records (A/C.5/51/SR.56, 57, 60-62 and 70).
3. For its consideration of the item, the Committee had before it the following documents:

Contingent-owned equipment

- (a) Report of the Secretary-General on reform of the procedures for determining reimbursement to Member States for contingent-owned equipment (A/50/807);
- (b) Reports of the Advisory Committee on Administrative and Budgetary Questions (A/50/887 and A/51/646);
- (c) Note by the Secretary-General transmitting the text of the Contribution Agreement between the United Nations and States contributing resources to United Nations peacekeeping operations (A/50/995);



(d) Letter dated 1 May 1995 from the Chairman of the Phase II Working Group on Reimbursement of Contingent-owned Equipment to the Chairman of the Fifth Committee, transmitting the report of the Working Group (A/C.5/49/66);

(e) Letter dated 21 July 1995 from the Chairman of the Phase III Working Group on Reimbursement of Contingent-owned Equipment to the Chairman of the Fifth Committee, transmitting the report of the Working Group (A/C.5/49/70);

Death and disability benefits

(f) Reports of the Secretary-General on death and disability benefits (A/49/906 and Corr.1 and A/51/1009) and the related reports of the Advisory Committee on Administrative and Budgetary Questions (A/50/684 and A/51/646);

Management review officers and roving finance officers

(g) Report of the Secretary-General on management review officers and roving finance officers (A/50/983) and the related report of the Advisory Committee on Administrative and Budgetary Questions (A/51/646);

Mission subsistence allowance

(h) Report of the Secretary-General on entitlements of staff assigned to peacekeeping missions, including mission subsistence allowance (A/50/797);

Rates of reimbursement

(i) Report of the Secretary-General on the review of the rates of reimbursement to the Governments of troop-contributing States (A/48/912) and the related report of the Advisory Committee on Administrative and Budgetary Questions (A/50/1012);

Peacekeeping Reserve Fund

(j) Reports of the Secretary-General on the Peacekeeping Reserve Fund (A/48/622, A/49/654 and A/51/778) and the related reports of the Advisory Committee on Administrative and Budgetary Questions (A/50/976 and A/51/845);

United Nations Logistics Base, Brindisi

(k) Reports of the Secretary-General on the financing of the United Nations Logistics Base at Brindisi (A/50/907 and A/51/905) and the related report of the Advisory Committee on Administrative and Budgetary Questions (A/50/985).

II. CONSIDERATION OF DRAFT RESOLUTIONS A/C.5/51/L.73
AND A/C.5/51/L.82

4. At the 70th meeting, on 6 June, the representative of Austria introduced draft resolutions entitled "Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations" (A/C.5/51/L.73 and

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A/C.5/51/L.82), submitted by the Chairman on the basis of informal consultations, and informed the Committee that the two texts formed one draft resolution, document A/C.5/51/L.73 containing sections I to VI and document A/C.5/51/L.82 containing sections VII and VIII.

5. At the same meeting, the representative of the United States of America proposed the insertion of the following two new paragraphs in section IV (Mission subsistence allowance) of the draft resolution:

(a) A third preambular paragraph, reading:

"Taking note of the report of the Office of Internal Oversight Services (A/51/432, annex)";

(b) A new operative paragraph 2, reading:

"2. Endorses the observations and recommendations contained in the report of the Office of Internal Oversight Services".

6. Also at the same meeting, following statements by the representatives of Cuba, Austria and the United States of America, the Committee decided, on the proposal of the Chairman, that the question of the insertion of two new paragraphs in section IV of the draft resolution would be considered by the General Assembly during its consideration of the relevant report of the Fifth Committee.

7. At the same meeting, the Committee adopted the draft resolution contained in documents A/C.5/51/L.73 and A/C.5/51/L.82 without a vote (see para. 8).

III. RECOMMENDATION OF THE FIFTH COMMITTEE

8. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolution:

Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

The General Assembly,

Reaffirming Article 17 of the Charter of the United Nations in respect of the role of the General Assembly in the consideration and approval of budgets of the Organization,

Reaffirming the requirement of all Member States to fulfil promptly and in full their obligations as set out in the Charter,

Recognizing the detrimental effect of the withholding of assessed contributions on the administrative and financial functioning of the United Nations,

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Recognizing also that late payment of assessed contributions adversely affects the short-term financial situation of the Organization,

Recognizing further the need to improve the management of peacekeeping operations,

Desiring to streamline the administrative and budgetary aspects of the financing of peacekeeping operations,

Reiterating the importance of continuous dialogue and transparency between the Organization and Member States aimed at improving current administrative and budgetary practices and procedures,

I

Contingent-owned equipment

Recalling its resolution 50/222 of 11 April 1996 on the reform of the procedures for determining reimbursement to Member States for contingent-owned equipment, and the transitional arrangement,

Reaffirming the importance of proceeding with the implementation of the reformed procedures as called for in its resolution 49/233 A of 23 December 1994,

Taking note of the reports of the Phase II and Phase III Working Groups on Reimbursement of Contingent-owned Equipment¹ and the related report of the Advisory Committee on Administrative and Budgetary Questions,²

Also taking note of the clarification given by the Secretary-General on some aspects of the implementation of the new procedures as from 1 July 1996 and the transitional arrangement,³

Further taking note of the Contribution Agreement between the United Nations and participating States contributing resources to United Nations peacekeeping operations,⁴

Noting that there are inconsistencies between the reports of the Working Groups⁵ and the Contribution Agreement,

1. Requests the Secretary-General to ensure that the Contribution Agreement fully reflects the reports of the Phase II and III Working Groups on Reimbursement of Contingent-owned Equipment and to issue an appropriate

¹ A/C.5/49/66, annex, and A/C.5/49/70, annex.

A/51/646.

² See A/50/807.

³ A/50/995, annex.

corrigendum to the Agreement, and to implement, in full, all the decisions of the General Assembly;

2. Also requests the Secretary-General to convene the Phase IV Working Group prior to submitting his report on the first full year of implementation of the reformed procedures;

3. Further requests the Secretary-General to include in future cost estimates and performance reports of peacekeeping operations information on the factors mentioned in paragraph 49 of the report of the Phase III Working Group;⁵

4. Reiterates that, for missions activated prior to 1 July 1996, countries have the option to accept reimbursement under either the new or the old reimbursement methodology;

II

Death and disability benefits

Reaffirming the principles enunciated in section II, paragraph 1, of its resolution 49/233 A and in paragraph 1 of its resolution 50/223 of 11 April 1996,

Having considered the reports of the Secretary-General⁶ and the related reports of the Advisory Committee on Administrative and Budgetary Questions,⁷

1. Decides to adopt a system of self insurance and to establish uniform and standardized rates for payment of awards in cases of death or disability sustained by troops in the service of the United Nations peacekeeping operations, as follows:

(a) A one-time lump-sum award of \$50,000 for service-incurred death;

(b) A one-time lump-sum award for service-incurred disability, calculated as a percentage of the award for death according to the degree of loss of function, based on the schedule contained in annex I to the report of the Secretary-General;⁸

2. Also decides that the uniform and standardized rates shall apply to cases of death and disability sustained by troops after 30 June 1997;

3. Further decides to continue the present system of budgeting and financing for death and disability compensation and to keep its functioning and

⁵ A/C.5/49/70.

⁶ A/49/906 and Corr.1 and A/50/1009.

⁷ A/50/684 and A/51/646.

⁸ A/49/906 and Corr.1.

use under review, taking into account actual experience in the implementation of the new uniform and standardized rates;

4. Reaffirms that the purpose of uniform and standardized rates for payment of awards in cases of death and disability is to ensure equal treatment of all contingent troops;

5. Requests the Secretary-General to seek assurances from Member States that amounts payable to beneficiaries for incidents referred to in the present resolution shall be not less than the amounts paid or reimbursed to Member States for this purpose under paragraphs 1 (a) and (b) above, so as to avoid unequal treatment of contingent troops by Member States;

6. Also requests the Secretary-General to submit a report to the General Assembly no later than 31 October 1997, containing detailed implementation proposals, including administrative and payment arrangements and procedures, as well as proposals for administrative resource reductions resulting from this new, simplified system;

7. Further requests the Secretary-General to continue processing all claims for death and disability compensation as expeditiously as possible for their speedy settlement;

III

Management review officers and roving finance officers

Recalling section X, paragraph 3, of its resolution 49/233 A,

Having considered the report of the Secretary-General⁹ and the related report of the Advisory Committee on Administrative and Budgetary Questions,¹⁰

Bearing in mind that accountability for peacekeeping programmes rests with authorities at Headquarters and in the field,

1. Calls upon the Secretary-General to establish procedures whereby the position descriptions of Secretariat personnel responsible for such financial operations in field missions as financial planning, financial management, operational support and review and control will include oversight for those specific missions, so that those personnel may perform the functions outlined in paragraph 7 of his report;⁹

2. Further calls upon the Secretary-General to include the function of "trouble shooter", as outlined in paragraph 10 of his report,⁹ in the position description of staff members at Headquarters overseeing the functional area, so as to provide this service as needed by the various field missions;

⁹ A/50/983.

¹⁰ A/51/646.

3. Endorses the comments and recommendations of the Advisory Committee with respect to the concepts of roving finance officer and management review officer;¹¹

4. Requests the Secretary-General to include in the budgets of specific peacekeeping operations information on these functions, to be examined by the Advisory Committee and the General Assembly on a case-by-case basis;

IV

Mission subsistence allowance

Recalling section VIII of its resolution 49/233 A,

Having considered the report of the Secretary-General on entitlements of staff assigned to peacekeeping missions, including mission subsistence allowance,¹² and the oral report of the Advisory Committee on Administrative and Budgetary Questions,¹³

1. Requests the Secretary-General to phase out over a period of six months the supplement to the mission subsistence allowance paid to senior officials;

2. Requests the International Civil Service Commission to develop, for submission to the General Assembly at its fifty-second session, a proposal to provide a post allowance and separate maintenance allowance for those personnel who leave their families at their home duty station while they are on mission assignment;

3. Requests the Secretary-General, as an interim measure pending a review of mission allowance criteria, to administer mission subsistence allowance on the basis of a seven-day, rather than a five-day, week;

V

Rates of reimbursement

Recalling section III, paragraph 2, of its resolution 47/218 A of 23 December 1992,

¹¹ See A/51/646, paras. 9-15.

¹² A/50/797.

¹³ A/C.5/51/SR.23, para. 26.

Having considered the report of the Secretary-General¹⁴ and the related report of the Advisory Committee on Administrative and Budgetary Questions,¹⁵

1. Endorses paragraph 12 of the report of the Advisory Committee on Administrative and Budgetary Questions;¹⁵
2. Requests the Secretary-General to carry out a new survey of troop-contributing States as suggested in paragraph 12 of the report of the Advisory Committee¹⁵ and to include in that report a complete analysis of all services being provided to troops, together with an indication of the rationale for the provision of each service and how those services are administered and accounted for;
3. Encourages all troop-contributing States to respond to the questionnaire sent out by the Secretary-General requesting information on military costs in effect as at 31 December 1996;
4. Requests the Secretary-General to keep this matter under review and to report thereon to the General Assembly;

VI

Peacekeeping Reserve Fund

Taking note of the report of the Secretary-General¹⁶ and the related report of the Advisory Committee on Administrative and Budgetary Questions,¹⁷

Noting that its resolution 47/217 of 23 December 1992 does not include the twenty States which became Members of the United Nations after the adoption of resolution 45/247 of 21 December 1990 and before the adoption of resolution 47/217,

1. Decides to extend the application of resolution 47/217, by which it established the Peacekeeping Reserve Fund, to all States currently Members of the United Nations;
2. Notes that Armenia, Azerbaijan, Bosnia and Herzegovina, Croatia, the Czech Republic, Georgia, Kazakhstan, Kyrgyzstan, the Republic of Moldova, Slovakia, Slovenia, Tajikistan, the former Yugoslav Republic of Macedonia, Turkmenistan and Uzbekistan can be said to have a claim to a share in the Fund as explained in the report of the Secretary-General;¹⁸

¹⁴ A/48/912.

¹⁵ A/50/1012.

¹⁶ A/51/778.

¹⁷ A/51/845.

3. Decides that, beginning on 1 January 1998 and no later than 30 June 1998, the shares in the Peacekeeping Reserve Fund of the following Member States shall be determined as follows:

(a) The Democratic People's Republic of Korea, the Marshall Islands, the Federated States of Micronesia, the Republic of Korea and San Marino shall contribute their shares to the Fund in accordance with the scale of apportionment for peacekeeping operations in effect on the date of their first assessment for United Nations peacekeeping operations;

(b) Estonia, Latvia and Lithuania shall contribute their shares to the Fund in accordance with the scale of apportionment for peacekeeping operations in effect on the date of their first assessment after 1 January 1998 for United Nations peacekeeping operations;

4. Further decides that interests accrued in the Fund shall not be credited to Member States holding shares in the Fund prior to the full capitalization of the Fund;

VII

Voluntary contributions

Recalling its resolutions on the financing of peacekeeping operations, in which it invites voluntary contributions to those operations in cash and in the form of services and supplies acceptable to the Secretary-General, to be administered as appropriate, in accordance with the established procedure¹⁸ and practices,

Taking note of the intention of the Advisory Committee on Administrative and Budgetary Questions to address in a report the question of the articulation of voluntary contributions within proposed budgets and performance reports of peacekeeping operations,¹⁹

1. Welcomes the intention of the Advisory Committee on Administrative and Budgetary Questions to address issues related to the administration of voluntary contributions to peacekeeping operations in a later report;

2. Requests the Advisory Committee to prepare its report on the administration of voluntary contributions to peacekeeping operations before 31 December 1997;

3. Decides to consider the report of the Advisory Committee during the first week of the first part of its resumed fifty-second session;

¹⁸ Resolution 44/192 A of 21 December 1989.

¹⁹ See A/51/850, para. 12.

VIII

United Nations Logistics Base, Brindisi

Recalling its decision 50/500 of 17 September 1996 and pending consideration of the reports of the Secretary-General on the financing of the United Nations Logistics Base at Brindisi,²⁰

1. Regrets the late submission by the Secretary-General of his report on the financing of the United Nations Logistics Base at Brindisi;²¹

2. Decides to undertake a detailed review of the reports of the Secretary-General²⁰ and the related reports of the Advisory Committee²² on the United Nations Logistics Base at its fifty-second session, no later than 15 October 1997;

3. Authorizes the Secretary-General, in the interim period, from 1 July to 15 October 1997, to commit funds not exceeding the current level of expenditures for the last three months for the maintenance of the United Nations Logistics Base;

4. Requests the Secretary-General to finalize, in this context, the proposals on the management of United Nations peacekeeping assets and on the role of the United Nations Logistics Base.

²⁰ A/50/907 and A/51/905.

²¹ A/51/905.

²² A/50/985 and A/51/___ [to be issued].